

**USAID EXPERIENCE WITH HEALTH CARE FINANCING:
AN ANNOTATED BIBLIOGRAPHY**

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March 20, 1996

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To meet the growing health care needs of their populations, the countries and communities working with USAID must focus on practical and feasible solutions to health care financing (HCF). USAID has devoted considerable attention to this topic, particularly over the last 10-15 years, primarily on the issues of containing costs, mobilizing new resources, allocating existing resources more efficiently, and increasing the role of the private sector. Experience up to now shows that, in general, almost every health financing strategy works somewhere under some set of circumstances. Alternatively, specific financing schemes that are successful in one country are not necessarily successful in another. Since each country has different needs, standard HCF solutions cannot be imposed.

To help guide professionals toward appropriate solutions, this annotated bibliography presents selected USAID reports and evaluations on HCF issues, drawing from the over 1000 documents available in this area. Beginning with such a large set made a comprehensive bibliography impractical. As a result, this collection concentrates primarily on relevant case studies and reports that synthesize experience or lessons learned across various projects and country programs.

Although many of the documents presented here may cover more than one facet of HCF, to provide some guidance for the reader, the bibliography is divided into the following sections:

- general health care financing
- privatization and the private sector
- public sector and improved allocation and management of health resources
- cost recovery, user fees and means testing
- insurance
- financing child survival and immunization programs
- financing family planning

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GENERAL HEALTH CARE FINANCING

PN-ABF-596

Health care financing in Latin America and the Caribbean, 1985-89: findings and recommendations

Gwynne, Gretchen; Zschock, Dieter K.

Sep 1989, xiv, 65 p., En

As the result of economic crises, public health care expenditures and quality have declined in most Latin American countries. This report presents findings on health care financing in ten countries -- Belize, Bolivia, the Dominican Republic, El Salvador, Ecuador, Guatemala, Peru, St. Lucia, Jamaica, and Honduras. Background information on the countries' economies, health systems, and donor health policies is followed by research findings on three topics: health care costs, household demand for health care, and the feasibility of alternatives to financing health care from general tax revenues (e.g., social security programs, private prepaid risk-sharing plans, and user fees). The report recommends that donors continue to emphasize public health care, but broaden their scope to include assistance to medical care programs under social security. These two subsectors account for two-thirds or more of total health sector financing in the countries reviewed, and they have the main responsibility for serving the low- and middle-income population. Cost containment efforts should target large hospitals operated by ministries of health and social security institutions and focus on limiting personnel budgets and redirecting ambulatory care from hospitals to primary health care facilities.

PD-ABM-091

Mid-term evaluation of the health finance development project (Philippines)

Hermann, Chris; Cross, Harry; Abella, Carmencita

27 Jul 1994, iv, 63 p. + 3 annexes, En

XD-ABE-301-A

Midterm evaluation of the health sector financing project (497-0354)

Dunlop, David W.; King, Rosalyn C.; et al.

USAID Mission to Indonesia, Jakarta,

Jan 1992, v.p.: charts, statistical tables, En

The Health Sector Financing Project's (HSFP) purpose is to develop the institutional and policy context needed to ensure financial sustainability of child survival programs. The purpose is to be achieved through structural reforms in the public hospital and pharmaceutical sectors which shift public sector budgets from those sectors toward child survival programs and by mobilizing more resources for health by developing socially financed and managed care schemes. The project has segmented its support into four technical areas of focus called

components: public hospitals, pharmaceutical, social financing and health economics, and policy analysis. This evaluation emphasizes measuring the degree of progress and the needed recommendations to achieve project objectives within the remaining life of the project.

PN-ABD-853 Conference Proceedings/Paper

Planning the financing of primary health care: assessing alternative methods

Brenzel, Logan E.

(World Federation of Public Health Association Conference,

Mexico City, MX, Mar 1987)

Mar 1987, [24] p., En

This paper proposes a framework for establishing financial planning as an integral part of overall primary health care (PHC) planning in developing countries. Its objective is to show how implementation of financial planning tools can serve to strengthen the implementation of PHC. The framework to be proposed is based on several fundamental observations about the dynamics between health systems development, financing and costs of PHC, which include: 1) ways of organizing PHC service delivery and methods for financing services are closely related; 2) the costs of producing certain PHC services are often significantly affected by the way they are organized and financed; 3) 'integrated' PHC programs which share the same inputs, such as a community health worker who performs immunizations, provides basic curative care and offers health education, can raise the level of benefits relative to the overall cost of that program; 4) selective interventions using mass campaigns or vertically organized programs may be extremely cost-effective in the short-term, but much less cost-effective over the long-term because of their inability to deliver sustained benefits and to increase the capacity of the health sector to assure funding sources for the costs incurred; 5) governments often accept donor funding of PHC programs without assessing the full impact of the total recurrent costs of a donor program; 6) because PHC is not a homogenous service or concept, optimal methods for organizing and delivering PHC services are likely to be different for alternative combinations of PHC services; 7) simply providing PHC services does not guarantee that those services will be demanded or accepted by the population.

***PN-ABQ-857 Conference Proceedings/Paper**

What lessons can less - developed countries learn from the experiences of developed nations about a comprehensive health financing strategy

Hslao, William O.

(International Seminar on Comprehensive Financing Strategy in Selected Asian Nations, Bali, IN, December 10 - 14, 1990)

Dec 1990, 54 p., En

PN-ABW-902 Bibliography/Index/Literature Review

Health financing and sustainability project: final bibliography of abstracts

Sep 1995, 43 p., En

The Health Financing and Sustainability Project (HFS) was a six-year initiative funded by USAID. HFS was directed by Abt Associates Inc., in collaboration with Management Sciences for Health, The Urban Institute, Clark Atlanta University and Tillinghast. Between 1989 and 1995, HFS worked with over 30 developing countries around the world to assess, develop, and test alternative health financing policies and mechanisms. HFS sought to influence policy change by advancing knowledge; testing and improving analytical tools; strengthening institutional capacity; and facilitating decision making. The purpose was to increase the resources available to the health sector and to sustain more accessible and better quality health care for all sectors of the population, including the poorest.

HFS prepared papers and reports on its technical assistance, applied research, and training activities in five main technical areas: 1) alternative cost recovery systems; 2) social financing at the national and community level; 3) collaboration between the public and private sectors in the management and delivery of health care; 4) the allocation, use, and management of resources; and 5) costing, delivery and production of specific health care services.

This bibliography of abstracts includes only technical, research studies. Available separately is a complete list of all HFS publications, indexed by author, geographic area, subject, and title. [Abstract from Abt Associates Inc.]

PN-ABG-202 Bibliography/Index/Literature Review

Annotated compilation of health care financing activities in the Latin American and Caribbean region 1982 - 1988

Pinto de la Piedra, Matilde

Sep 1989, 96 p.: maps, En

This document provides an annotated list of health finance initiatives undertaken in Latin America and the Caribbean since 1982. For the purposes of this study, health financing initiatives include activities and studies as well as projects. Following an introduction, Chapter II presents a summary of the USAID approach to health care financing as represented in policy statements and other official documents. In Chapter III, the views of international organizations active in the LAC region are presented (World Bank, Inter-American Development Bank, and Pan-American Health Organization). Chapter IV contains a review of social security issues and their relationship to health care financing. Finally, Chapter V presents country overviews, which are grouped by geographic subregion. Each overview includes summaries of individual activities and studies funded by AID and other organizations; the summaries indicate both sector (public or private) and main areas of emphasis (resource allocation, resource mobilization, cost estimation and cost containment,

and organization of health services). For USAID-funded initiatives, activity costs are presented as well. (Author abstract, modified)

PN-ABH-291 AID Supported Study

Health financing and sustainability: technical theme papers -- year one

Levine, Ruth; Cross, Harry; et al.

[1990], v.p., En

The Health Financing and Sustainability (HFS) project provides technical assistance, conducts applied research, and disseminates information about health financing and organization in developing countries. The project's purpose is to influence policy change, assist in policy implementation, and demonstrate and evaluate the effects of alternative policies and mechanisms for financing health services. At the end of each year of its life, HFS will produce theme papers to assess the issues that have arisen in the course of its work and how they are being addressed in the five technical areas specified in the project's scope of work. This is the first set of theme papers. The project is taking this occasion of the theme papers to step back and examine the problems found against expectations in each of the technical areas, including: 1) public-private collaboration; 2) cost recovery; 3) social financing of the demand for health services; 4) resource allocation, use, and management; 5) health care costing.

PN-ABN-405 AID Supported Study

Health financing and sustainability: technical theme papers -- year two

Abt Associates, Inc., Bethesda, MD,

Jan 1992, v.p., En

This second set of HFS theme papers explains the range of issues encountered by HFS in its second year, the analyses performed to address the issues, the advice provided as a result of the analyses, and future directions in the five HFS technical areas: 1) cost recovery; 2) health service costing; 3) public-private collaboration; 4) resource allocation, use, and management; 5) social financing of the demand for health services. Analyses are provided from both technical assistance activities and the HFS applied research program. The results of HFS's year two activities reported in these theme papers should be instructive in that they represent: 1) diagnoses of health financing problems, which point the way to needed policy changes; 2) prospective analyses of proposed policy changes, which define expected consequences of various measures; 3) evaluations of steps already taken, so that corrections may be made and lessons learned.

PN-ABW-425 AID Supported Study

Technical theme papers (HFS [health financing and sustainability] project -- year three (1991 - 1992))

Abt Associates, Inc., Bethesda, MD,
Urban Institute, Washington, DC,
Management Sciences for Health, Arlington, VA,
1993, ii, 59 p., En

The five Year Three theme papers cover: 1) resource generation through cost recovery; 2) health service costing; 3) public-private collaboration; 4) resource allocation and management for effective health care; and, 5) social financing of the demand for health services. The Year Three Theme Papers differ from the earlier ones both in the breadth of experience described and in a greater cross-fertilization of ideas from previous years and from different countries. The year three papers describe completed as well as ongoing activities, and provide more research conclusions and assessments of the effectiveness of interventions than either year one or year two. Each of the five papers in this collection highlights the vital nature of research for informed policymaking, and expanding the role of the private sector in health care financing and delivery.

PN-ABD-852 AID Supported Study

AID experience in health care financing, 1978 - 1986

Lewis, Maureen A.
Aug 1987, 112 p., En

Over the last decade AID has supported a number of health financing activities. Recently that effort has accelerated and activities are proliferating rapidly. This paper is an attempt to: (1) document what AID has done in the health care financing area; (2) summarize the activities that have been undertaken and what has been learned; and, (3) outline where the gaps are to assist in designing future health care financing initiatives.

Included in this review are projects, project components, research studies, operations research, evaluations, feasibility studies, and important planned activities. Consultant reports have not been included because of the number, variable quality and relevance, and the fact that many do not translate into projects nor do they provide lessons for future activities.

In attempting to produce a complete summary of AID experience in this area, AID files have been searched, and the various projects and studies undertaken in the past few years obtained. As an appendix, each of these activities is abstracted and the objective, methodology, findings, and implications are summarized separately. The review here is based on those abstracts. (Author abstract)

PN-ABB-417 AID Supported Study**Health care demand studies in developing countries: a critical review and agenda for research**

Bitran, Ricardo A.

Feb 1988, 62 p., En

Health care demand studies (HDS's) attempt to identify and measure the relative importance of the various factors affecting people's health care demand decisions. This paper reviews the existing literature on HDS's, describing their conclusions, highlighting the methodological aspects where disagreement exists, and pinpointing areas where more research is needed. The report finds that most HDS's have placed a disproportionate emphasis on the effect of price on demand and have often overlooked the influence of changes in non-monetary, facility-specific variables (e.g., quality of care, travel distance to the facility), and consumer and environmental variables. This analysis suggests that HDS findings depend largely on the behavioral assumptions made and on the statistical techniques used to estimate demand equations. The report also shows that HDS's have tended to overlook such issues as consumer behavior under uncertainty and the desirability of health insurance. Few have assessed systematically the simultaneous effects of alternative fee structures on consumers' welfare and health facilities' financial performance. When defining the price and quality of health services, some HDS's contend that facility-reported price must be used to explain demand decisions, while others argue that consumer-perceived price and quality are the relevant measures. Several methodological aspects of HDS's deserve further discussion, particularly the adequacy of alternative statistical techniques and of consumer behavioral models, the definition of illness, the choice of recall period, and the measurement of socioeconomic status.

PN-ABG-979 AID Supported Study**AskFINE -- financing health care in developing countries: a knowledgebase**

Kleinau, Eckhard; Shepard, Donald; et al.

Sep 1990, 141 p., En

AskFINE has been created as part of a strategy paper for AID Regional Economic Development Support Office (REDSO) sponsored child survival projects in West and Central Africa. The projects concerned are especially interested in past experience of countries in the region with any form of revenue generation or other measures to sustain health care services traditionally provided free to the population. In the process of writing the strategy paper numerous articles, working papers or reports were reviewed. To enable AID officers and project personnel a fast and more detailed access to these papers without having to locate them first and then read them from cover to cover, a summary and citations of all papers were entered in a text database. This specific "knowledgebase" is called "Financing Health Care in Developing Countries," abbreviated AskFINE. The user can retrieve relevant information fast and focus on specific countries or problems of interest. This document

describes the knowledgebase, but does not include the document summary information.

PN-ABW-870 AID Supported Study

22 policy questions about health care financing in Africa

Leighton, Charlotte

May 1995, v.p., En

This portfolio of five booklets presents 22 issue briefs on policy questions that ministries of health (MOHs) in sub-Saharan Africa most commonly ask about health financing reform. The answers summarize what is known about the impact and effectiveness of reform, based on experience and research in African countries.

The 22 policy questions are grouped into five Topics. Each Topic is intended to be a brief, non-technical reference on the "state of the art" for senior decision makers, health care analysts, program planners, and facility managers. Each Topic begins with an overview that highlights the relevance and context of the policy issues(s) addressed. For readers who want more detail, each Topic includes an alphabetical list of references, which are referenced throughout the entries. The five Topics are: Health Financing Reform Policies, Goals, and Strategies; Financial Sustainability; Cost Recovery's Impact on Quality, Access and Equity; Allocation, Efficiency, and Effectiveness; and New Initiatives: Private Sector and Social Financing. [Abstract by Abt Associates Inc.]

PN-ABW-904 AID Supported Study

Health financing in developing countries ; synthesis of applied field research, 1989 -1995

Bitran, Ricardo

Aug 1995, xvii, 69 p.: charts, statistical tables, En

This document presents the results from the applied research in health care financing conducted by the Health Financing and Sustainability Project in over 40 developing countries. It describes the conceptual framework of and outlines the research agenda. It presents the research results, summarizes the findings and policy recommendations, and points to areas for future research to support policy reform. Nine general topics of research are covered: 1) quality of care and cost recovery; 2) protecting the poor under cost recovery; 3) efficiency in consumption; 4) provider incentives; 5) extending social financing; 6) public-private differences in efficiency; 7) private sector development; 8) public-private collaboration; and 9) reallocating public sector spending. [Abstract by Abt Associates Inc.]

PN-ABW-906 AID Supported Study

Strategies for achieving health financing reform in Africa: synthesis of HFS project experience

Leighton, Charlotte; Wouters, Annemarie

Aug 1995, iv, [54] p. + attachment, En

This paper was prepared for the Health and Human Resources Analysis for Africa (HHRAA) project of USAID. The paper synthesizes the lessons learned from HFS Project work in sub-Saharan Africa about 1) strategies for overcoming principal obstacles that African ministries of health have faced in achieving health financing reform; 2) strategies for the design and implementation phases of reform; 3) resolving specific design and implementation issues to avoid common pitfalls and create conditions for success; and 4) using research and analysis tools effectively to address key issues that arise during health financing policy debates and to monitor reform implementation.

The HFS work on which this document is based involved 1) long-term technical assistance and research in two countries (Niger and the Central African Republic) on their sector-wide health financing reform efforts; 2) periodic research assistance to Senegal in financing and economic issues related to reform; 3) short-term technical assistance activities, as well as applied research activities in 10 other countries in the region (Burkina Faso, Cameroon, Congo, Kenya, Mali, Mozambique, Nigeria, Tanzania, Togo, and Zaire); and 4) two regional workshops in health financing, each attended by representatives of more than 10 African countries. The document also considers secondary sources for the experiences of other selected countries. [Abstract by Abt Associates Inc.]

PN-ABX-089 AID Supported Study

Strategic framework for setting priorities for research, analysis, and information dissemination on health sector financing and sustainability in sub-Saharan Africa

Academy for Educational Development, Inc., Washington, DC,

Sep 1995, xiv, 80 p., En

Cover title: Setting priorities for research, analysis, and information dissemination on health sector financing and sustainability in sub-Saharan Africa

This strategic framework document presents cost-effective approaches to address health problems in sub-Saharan Africa. Even with the current limited resources available to ministries of health, the majority of Africa's serious public health problems can be addressed through a package of essential clinical and educational services, offered at the district hospital level and below. But it is far from clear how governments can muster the political will necessary to reallocate scarce financial resources away from large hospitals in urban areas, and reduce waste and inefficiencies that compromise existing health delivery systems. The strategic framework examines these questions in detail, provides lessons learned concerning difficult problems, and concludes with priority topics for further research and analysis. To reach these conclusions, the strategic framework has benefited from an in-depth review of existing literature and documentation as well as the advice of expert consultative group meetings in the United States and Africa.

PN-ABX-182 AID Supported Study

Lessons learned from the LAC HNS [health and nutrition sustainability] recurrent cost studies of primary health care services

Fiedler, John L.; Holley, John; Marquez, Lani

1995, vii, 34 p.: statistical tables, En

Spanish ed.: PN-ABW-045

PN-ABF-931 Handbook/Manual/Guide

Guidelines for identifying and implementing health care financing activities

Pinto de la Piedra, Matilde; Rosenthal, Gerald

Nov 1989, 44 p., En

Health care financing (HCF) is one of several spheres of work that can address the issue of sustainability (political will, constituency development, management, and training are among the others) and comprises a large set of ideas, activities, and strategies. Since addressing the issues of financing the provision of health services also requires dealing with institutional arrangements, political realities, organizational issues, and expectations, all substantial activities in HCF require policy dialogue and careful scientific analysis within a commonly understood framework. This document, therefore, proposes such a framework-presented in the form of guidelines-to assist USAID PHN Officers in the process of identifying health care financing activities that have the potential to lead to a fruitful policy dialogue with host countries. The guidelines are part of an overview of HCF in the Latin American and Caribbean (LAC) Region during the period 1982-1988. The guidelines are presented in the form of defined ordered elements to nourish the dialogue of health offices and to aid in the task of identifying potential HCF activities.

PRIVATIZATION AND THE PRIVATE SECTOR IN HEALTH CARE FINANCING

PN-ABT-748 Conference Proceedings/Paper

Initiatives: private initiatives for primary health care -- task force meeting report no. 2, March 16 - 18, 1994, Arlington, Virginia

John Snow, Inc., Arlington, VA,
Mar 1994, [48] p., En

This report summarizes the second annual task force meeting of the Private Initiatives for Primary Healthcare project. The Initiatives project invites a task force comprised of "experts in the field" to provide specialized guidance to the project. The task force provides feedback and observations on project activities. Five topics were discussed: 1) promoting and collaborating with in-country management groups for the provision of technical assistance; 2) evaluating the effectiveness and sustainability of private healthcare businesses that serve urban low-income groups; 3) identifying sources of capital to finance private health projects; 4) creating effective mechanisms for financing health services; and 5) how to understand better and address urban health issues within the Initiatives project. Throughout the discussions, the task force members returned repeatedly to one central observation: basic health services are unlikely to be sustainable in the absence of community involvement in their development and delivery.

PN-ABE-770 AID Supported Study

Privatization in the Jamaican health sector

Lewis, Maureen A.
Apr 1988, 12 p., En

PN-ABE-962 AID Supported Study

Consumer demand and satisfaction: the hidden key to successful privatization

Smith, William A.
[1989], vii, 45 p. + attachment: ill., En

Consumer satisfaction through responsible marketing is central to the successful privatization of health care services, according to this study, prepared for AID's Asia/Near East Bureau. The study's main section explores several consumer issues pertinent to privatization. These include the need to: keep price strategies socially equitable; maintain the quality of privatized health care; deliver services that meet consumers' real -- and changing -- rather than imagined health needs; develop ethical advertising standards; conduct marketing research; treat consumers as members of a community rather than isolated individuals; and use consumer needs as the focal point of public/private sector partnerships. Related lessons from the Asia/Near East Bureau's experience are noted. (1) Piecemeal programs do not work. (2) Coverage, timeliness, and credibility are all necessary to influence

consumers. (3) Consumer research is fundamental to success in four domains -- product, place, price, and promotion. (4) The program must monitor changing consumer needs. (5) Simplicity of product, message, and distribution is essential. (6) Acceptance is increased when a range of methods, brands, and practices are offered. Action options in the areas of policy dialogue, program development, consumer research, and training are presented in conclusion.

PN-ABW-473 AID Supported Study

Public and private interactions in the health sector in developing countries -- phase 1: review and concepts and literature, and preliminary field work design

Ellis, Randall P.; Chawla, Mukesh

Feb 1993, 80 p.: statistical tables, En

One option for developing countries to remedy budget constraints in health care may be to encourage the private sector to assume a greater role in financing and providing health services and to increase collaboration between the public and private sectors. This alternative requires consideration of concepts such as sharing public resources with private providers and determining the division of service financing and provision by sector. Many physicians in developing countries allocate their time between jobs in both sectors, and this study examines such multiple job-holding and the impact on both sectors. A review of existing literature reveals that public-private interactions are not well documented. Future research in the area of public-private interactions is recommended for four specific countries--Egypt, Kenya, India, and Pakistan--because of special attributes in their systems of health care. [Abstract by Abt Associates Inc.]

PN-ABW-476 AID Supported Study

Factors affecting the development of private health care provision in developing countries -- phase 1: review of concepts and literature, and preliminary field work design

Berman, Peter; Rannan-Eliya, Ravindra

Oct 1993, 111 p.: charts, statistical tables, En

Privatizing existing public health care services and enhancing development of private health care provision are two of the main health policy innovations that have been promoted throughout the developing world since the 1980s. However, little is known about health care privatization. This paper analyzes the development of the private health care sector in the developing world, outlining what is known about the development of the private sector in developing countries and the major components of a conceptual framework that can be used to address these issues in future research. Included is a typology of private health care providers based on variation in the organizational form and other characteristics, such as economic or commercial orientation, and in the therapeutic system. Major regional patterns are summarized and some of the important factors determining them are highlighted. Four case studies are included: Papua New Guinea, Republic of South Africa, Chile, and the

United Kingdom.

The study identifies the following key factors that influence the demand for private health care: income, price, quality, private and social insurance, transport infrastructure, the structure of the medical referral system, demographic and epidemiological factors, education and cultural factors, health-seeking behavior, and previous historical experience. The key factors that influence the supply of private health care are found to be: demand, availability of inputs--including medical labor, capital, and medical technology--and the impact of insurance mechanisms on the nature of competition in the market for health care services. Governments are found to critically influence the development of private health care provision, either indirectly through effects on the general social and macroeconomic environment or directly through specific interventions.

PN-ABD-464 AID Supported Study

Private sector and health care delivery in developing countries: definition, experience, and potential

Lewis, Maureen A.

Apr 1988, 85 p., En

The role of the private sector in Third World health care is receiving increased attention, as many governments facing financial crises are being forced to cut the budgets in public health programs. This paper examines past experiences (particularly in the United States) and the future potential in the Third World of private health care delivery and financing. After discussing the reasons for private sector involvement and past AID experiences with private health care, the report explores four private sector options for financing health care: (1) fees-for-service, in which individuals are responsible for paying for their own care; (2) private insurance, which involves spreading the risk across an insured group; (3) health maintenance organizations, which receive a set monthly price for providing all or most health services to enrollees, and (4) PVO-supported health facilities, which provide high quality services in a Third World context at a nominal cost to the client. The characteristics, performance, and Third World applicability of these options are explained and assessed, along with a discussion of how each method might be used to finance health care for the indigent. A final section examines possible ways in which government and donor agencies can promote private sector initiatives, with the proviso that in the last analysis it is the individual country setting which determines the appropriate approach to health care delivery.

PN-ABQ-282 AID Supported Study
Enlisting the commercial sector in public health
Saade, Camille
Apr 1993, 12 p., En

PN-ABT-433 AID Supported Study
Framework for selection of priority research and analysis topics in private health sector development in Africa
Rannan-Eliya, Ravindra P.; Berman, Peter
Nov 1994, vi, 39 p., En

This report examines major issues regarding private health sector development in Africa and points out topics for research and analysis in which USAID may have comparative advantages. Following an introduction, Section 2 reviews available literature on the coverage, quality, and efficiency of the private health sector, as well as on the range of policies available for promoting private sector health provision. Section 3 identifies research programs related to private health care in Africa that have been undertaken by USAID and other donors. Section 4 identifies information gaps relevant to USAID programming, while Section 5 identifies areas in which USAID has a comparative advantage in research activities. Section 6 recommends research and analysis objectives for USAID's Health and Human Resources Analysis for Africa (HHRAA) project (6980483). These are to: describe Africa's private sector; analyze the determinants of the development and composition of private health services; assess the merits of private sector activity; evaluate USAID's programmatic interventions; develop initiatives to enhance national planning and regulatory capacities; develop a substantial agenda for future USAID activity; and document and disseminate policy-relevant experience, research, and capacity-building in Africa. The first draft of this paper served as background material for a consultative meeting on private sector health provision in Africa. A report on the results of that meeting is appended. A bibliography is also included.

PN-ABW-911 AID Supported Study
Privatization of health care in three Latin American social security systems
Fiedler, John L.
Jun 1995, vi, 31 p.: charts, En
Spanish ed.: PN-ABW-857

Fundamental problems of Latin American social security systems regarding such issues as financing, coverage, access, and management efficiency have led to numerous efforts at reform. This paper analyzes three such reform programs, all of which involve privatization, though to varying degrees. The programs are: (1) El Salvador's 1991 introduction of the option to select a qualifying private provider for outpatient care who is paid a fixed rate per

consultation on a fee-for-service basis; (2) Peru's Minor Surgery and Decentralized Ambulatory Care Programs, introduced in 1991 and 1992 respectively, which allow social security beneficiaries to choose a qualifying private provider who is reimbursed a fixed fee for services rendered (proposed far-reaching organizational reforms of Peru's entire health system are also discussed); and (3) Nicaragua's complete contracting out of services, implemented in May 1994, whereby social security beneficiaries enroll in a qualifying provider organization on an annual basis and social security pays that organization a fixed annual fee for all health care for the enrollee.

Lessons emerging for the design and implementation of social security reforms include the following. (1) Conduct a stakeholders' analysis to identify the size and importance of the parties that will be involved in or affected by the reform. (2) Initially focus on a relatively small problem with high visibility and/or probability of expeditious success. Time-limited efforts may be of strategic importance. (3) Extend reforms gradually. (4) Proceed slowly and search for common ground, so as not to alarm the chief actors and so as to minimize politicization of the process. (5) Institutionalize reforms as soon as possible. (6) Make participation of both patients and physicians voluntary. Includes references.

PUBLIC SECTOR AND IMPROVED ALLOCATION AND MANAGEMENT OF HEALTH RESOURCES

PN-ABI-240 Special Evaluation

**Health financing activities that support policy reform: the AID mission experience --
report on a survey of USAID missions as part of the REACH project internal assessment
of health financing activities**

Leighton, Charlotte

Aug 1990, v, 34p., En

AID Mission experience with health policy financing reform during the 1980's is documented in this report. Individual sections examine (1) the Missions' role in the health financing policy dialogue; (2) the main issues covered in the dialogue; (3) the factors promoting and hindering policy change on the part of the Ministry of Health (MOH); (4) the factors that support and (especially) that constrain Missions' ability to promote health financing schemes; and (5) Mission reflections on health financing policy reform.

A major finding is that policy reform in this area is as much a political as it is a technical process and requires politically and culturally sensitive assistance. Moreover, there is no global formula for success; health financing schemes that work in one country may or may not work in another. For example, the MOH in El Salvador has increased budget allocations for preventive, rural services, but in Bolivia the MOH has been reluctant to allocate more funding to primary health care. The review also demonstrates that policy reform takes time, in part because it involves substantial institutional change. Sometimes years are required before a MOH will adopt or even consider adopting one component of a new health financing scheme. A final lesson is that to have a lasting impact health financing policy dialogue must go beyond discussions with the MOH to include dialogue or consultations with other government ministries.

PN-ABW-423 Conference Proceedings/Paper

**REDSO workshop on health financing and sustainability in West and Central Africa,
Saly Portudal, Senegal, February 14 - 18, 1994**

McLees, Suzanne

Feb 1994, [64] p., En

French ed.: PN-ABW-424

The Regional Economic Development Services Office for West and Central Africa (REDSO/WCA) of USAID, with technical support from the Health Financing and Sustainability (HFS) Project, sponsored a regional conference on the themes of health care financing and sustainability in Saly Portudal, Senegal, from February 14-18, 1994. Presentations, case studies and discussions covered a broad range of policy issues which included cost recovery, means testing, user fees, hospital autonomy, the role of the private

for-profit health sector, the impact of the recent FCFA devaluation on the health sector, new topics for applied research, and non-project assistance. This report serves as a summary of the proceedings, with emphasis on the participants' findings, recommendations, and proposals. [Abstract from Abt Associates, Inc.]

PN-ABG-272 Case Studies

Country case descriptions: AID experience in health care financing -- Bolivia, Eastern Caribbean, Guatemala

Pinto de la Piedra, Matilde; Rosenthal, Gerald; Solari, Alfredo

Aug 1989, v.p., En

This document presents a preliminary draft for the country case study component of an overview of health care financing activities in the Latin America and Caribbean region. The overview's objective is to review, within the context of the HCF characteristics in the region, initiatives undertaken by USAID in this field and draw lessons that can be used in the future to improve strategy development and policy dialogue in the Missions. A team of HCF specialists visited Bolivia, Guatemala, and the Regional Development Office in the Caribbean. This draft contains the main findings of the team for each of the countries. The reviews presented here consider broad issues of how financing priorities are identified and the impact of the activities and interventions which result from this process on improving the financing of the provision of health services within the country. Specific lessons learned from each case are presented in detail in the corresponding sections. The visits to the field confirmed that there is no single "pre-packaged" strategy that can be applied to a particular country. A HCF strategy that is sound in one environment may not be appropriate in another. However, the lessons learned from these base studies form the basis for the development of a set of guidelines aimed to facilitate the identification of priority areas, the design of an appropriate strategy and the development of missions' activities within a strategy framework.

PN-ABW-162 Bibliography/Index/Literature Review

Literature review: equity in the health sector in developing countries -- with lessons learned for sub-Saharan Africa

Waters, Hugh

BASICS [basic support for institutionalizing child survival] trip report, [1994], 25 p. + 2 appendices: statistical tables, En

This literature review provides background information for a research study, to be conducted by the Basic Support for Institutionalizing Child Survival (BASICS) Project, on ways to increase equity in the health sector. The review focuses on sub-Saharan Africa -- approximately half of the region's population does not have regular access to modern medical facilities -- but includes considerable discussion of equity in other regions of the world.

Many countries have recently initiated user fees for health services, or have raised existing

fees. Cost recovery can be progressive if the revenue generated from the fees is retained and used by the charging facilities, and if quality of care improves as a result. However, a wide range of studies have found that price increases lower utilization of health services by the poor more than by the rich.

The report discusses concepts underlying different types of programs to increase equity. Non-targeted approaches to promote equity include subsidization of health care, risk-sharing, and improvements in allocative and technical efficiency in health systems. Untargeted subsidies are common in sub-Saharan Africa, and remain a recommended policy option for a range of preventive services. Formal health insurance covers only a small percentage of African populations; the development of operable risk-sharing schemes is a priority.

PN-ABN-730 AID Supported Study

Provider incentives and productive efficiency in government health services -- phase 1: review of concepts, literature, and preliminary field work design

Bitran, Ricardo; Block, Steven

Sep 1992, vii, 63 p.: charts, statistical tables, En

This study, Phase I of a health financing and sustainability project, reviews relevant concepts and literature, and presents the preliminary field work design for research regarding provider incentives and productive efficiency in government health services. In addition to providing a basic conceptual framework of the issues, the authors present empirical anecdotal evidence from developed and developing countries to assess the potential for provider incentives to improve the efficiency (as well as equity and quality) of health care in developing countries.

PN-ABW-472 AID Supported Study

Efficiency in the consumption of health services: concepts and research needs -- phase 1: review of concepts and literature, and preliminary field design

Barlow, Robin; Kolars, Christine; et al.

Jun 1993, 223 p.: charts, statistical tables, En

This paper develops a conceptual framework for analyzing "consumption inefficiencies" in the provision of government health services in developing countries and also reviews the empirical literature in this field. The inefficiencies, causing health losses for the population, result from such factors as price distortions, misinformation, and externalities. Corrections for the inefficiencies are possible with user charges and health education programs. A project of field research on consumption inefficiencies is proposed, based on estimating cost-effectiveness ratios for selected government health services. (Author abstract)

PN-ABW-490 Discussion Paper

**Use of USAID's non-project assistance to achieve health sector policy reform in Africa:
a discussion paper**

Setzer, James C.; Lindner, Molly

Sep 1994, ix, 46 p., En

This policy paper examines the experiences and effectiveness of using USAID's non-project assistance (NPA) to support health sector objectives in sub-Saharan Africa. Programs in Niger, Nigeria, Kenya, Togo, and Cameroon are summarized. For each country, background is provided on the health sector, and a summary and assessment of specific NPA programs are provided. Prepared for the Health and Human Resources Analysis for Africa (HHRAA) Project of USAID's Africa Bureau, the primary focus of the paper is on health finance policy reforms. It compares and contrasts country experiences as they relate to NPA. The authors' purpose is to encourage discussion within USAID of the effectiveness of using NPA as a reform tool in policy development and the broader question of how to best support desired health outcomes in Africa. The paper provides a detailed assessment of three aspects of NPA programming: program development and design, program implementation, and program evaluation. The information sources were limited to official program documentation, and did not include field work. An extensive bibliography on the topics of non-project assistance, policy reform, and health sector policy is included. [Abstract by Abt Associates Inc.]

COST RECOVERY, USER FEES, AND MEANS TESTING

PN-AAZ-978 AID Supported Study

Child survival, cost recovery and essential drugs: experience and issues

Quick, Jonathan; Hume, Peg

7 Jun 1988, 12 p. + attachments, En

The financial sustainability of child survival projects, in particular the financing of pharmaceuticals, is herein assessed. This report summarizes various countries' experiences with financing their pharmaceutical needs through revolving funds, reviews evidence on the relationship between expenditures on pharmaceuticals for child survival and total government pharmaceutical expenditures, and discusses alternative financing mechanisms. Efforts to involve the private pharmaceutical sector in child survival are also outlined. The major conclusions are: (1) the limited allocation of governments' financial resources to health is a major constraint on sustainability; (2) child survival efforts compete for scarce resources with other interests, including public demand for essential drugs; (3) AID's efforts to improve drug supply management have, in some countries, increased supply and controlled costs; (4) essential drugs are the one element in primary health care for which people are willing to pay, and thus can serve as an entry point into the primary health care system; (5) some local programs have met replacement costs with revenues from drug sales; (6) efforts to involve the private sector in child survival have been limited, for the most part, to oral rehydration therapy.

PN-ABD-548 AID Supported Study

Financing primary health care: experiences in pharmaceutical cost recovery

Blakney, Richard B.; Litvack, Jennie I.; Quick, Jonathan D.

May 1989, iv, 157 p.: charts, statistical tables, En

Many developing countries are turning to pharmaceutical cost recovery (PCR) - programs in which donors establish a revolving fund to purchase drugs and consumers pay the cost of the drugs received - as a method for financing primary health care. This paper examines PCR experience in eight countries: Ghana, Haiti, Liberia, Mali, Nepal, Nigeria, Thailand, and Zaire. Key findings are as follows. (1) PCR programs have varied in success, from a recovery of 272 percent of drug costs in Liberia to little or no recovery in Mali. (2) Successful programs are those which involve the community deeply, are flexible and decentralized, and are managed by those with the requisite financial skills. Also, despite the inevitable and necessary tension between financial and public health goals in PCR programs, successful programs are those which treat the patient as a consumer. (3) Success is ultimately determined by cost and consumer willingness to pay, not by government policy. Even those willing to pay for drugs can be dissuaded by significant price increases. (4) Most programs include mechanisms (e.g., government subsidies) to protect vulnerable groups. (5) PCR should be explored within a full range of financing options. (6) PCR is not a substitute for

government health financing. Nor should it be made a precondition for programs that provide primary health care or essential drugs. (7) Many questions remain unanswered regarding PCR's effect on health care patterns and the political and administrative environments required for its success.

PN-ABW-440 AID Supported Study

Means testing in cost recovery: a review of experiences

Levine, Ruth E.; Griffin, Charles C.; Brown, Timothy

Jan 1992, iv, 25 p., En

The HFS Project provides technical assistance and training, conducts applied research, and disseminates information to developing countries in health economics, health sector policy development, and health services management. The applied research work is to increase knowledge of the complex issues underlying health financing problems in the following policy areas: cost recovery, productive efficiency, social financing, and the private sector. As part of the project's studies on cost recovery, one activity examines means testing as a method of protecting the poor under cost recovery systems. This document presents a review of experiences with targeting and means testing worldwide and contributes to the HFS applied research on this topic. [Abstract by Abt Associates Inc.]

PN-ABW-474 AID Supported Study

Means testing in cost recovery of health services in developing countries -- phase 1: review of concepts and literature, and preliminary field work design

Willis, Carla Y.

Nov 1993, 101 p.: charts, statistical tables, En

In developing countries, the importance of means testing has risen along with increased reliance on user fees to help finance services. This paper provides a conceptual framework for understanding the role means testing can play in promoting equity in the health sector. Means testing is placed in the broader context of targeting and contrasted with other targeting mechanisms. The paper examines important policy and practical issues involved in the design and implementation of means tests, including how the target population and eligibility criteria are defined, and how these definitions differ from those used in income transfer programs; what the tradeoffs are between spending on benefits and spending on improved means-testing accuracy; and how outcomes are evaluated. The study also includes a survey of over 60 means-tested programs worldwide, which suggests that certain design elements can enhance or diminish the likelihood of success. An agenda for future research is proposed. [Abstract by Abt Associates Inc.]

PN-ABW-475 AID Supported Study

Quality of health care and its role in cost recovery with a focus on empirical findings about willingness to pay for quality improvements -- phase 1: review of concepts and literature, and preliminary field work design

Wouters, Annemarie; Adeyi, Olusoji; Morrow, Richard

Dec 1993, 84 p.: charts, En

This paper looks at the interrelationship of cost recovery and quality improvements in the health sector of developing countries. Included are in-depth literature reviews of five major types of studies: facility-based studies of the effect of cost recovery on utilization; econometric health care demand studies; hedonic pricing studies; contingent valuation studies; and cost-recovery intervention studies. By reviewing these studies, the paper provides a conceptual framework for considering people's willingness to pay for quality improvements in health care by looking at how demand behavior interacts with supply, especially in terms of promoting the financial sustainability of government services. This paper also presents a preliminary design for possible field research activities.

PN-ABW-908 AID Supported Study

Protecting the poor in Africa: impact of means testing on equity in the health sector in Burkina Faso, Niger, and Senegal

Leighton, Charlotte; Diop, Francois

Aug 1995, iii, 25 p.: statistical tables, En

This paper examines the effect of informal methods of means testing in health facilities that are carrying out cost recovery activities. Using data from large household surveys, this analysis shows 1) the proportion of all people seeking health care who paid and who were given waivers, 2) the proportion of poorest individuals (in the lowest 25 percent of households according to income) and of the non-poor (the remaining 75 percent of households) who were given waivers, and 3) the proportion of all waivers that were given to the poorest and to the non-poor. The data from Senegal revealed that church-run facilities had developed more effective practices in protecting the poor and granted twice the percentage of waivers to the poor as did MOH health facilities. The Burkina Faso data revealed that the non-poor were just as likely to receive fee exemptions as the poor. The data from Niger, collected both before and during pilot tests on cost recovery, showed that a substantial proportion of people paid under the "free care" system and helped draw conclusions about the impact of official cost recovery on fee charging and waiver practices, specifically on how cost recovery affected waivers for the poorest 25 percent of patients.

PN-ABS-905 Sector Assessment**Cost recovery in public sector hospitals in Ecuador**

La Forgia, Gerard M.; Balarezo, Mercy

Aug 1993, 91 p.: statistical tables, En

Spanish ed.: PN-ABW-444

This document assesses the present cost recovery practices in the public health facilities of Ecuador, poses price simulations as an aid in determining potential revenue, and recommends the administrative changes needed to reach the government's target for cost recovery.

PN-ABF-310 AID Supported Study**User fees in public facilities: a comparison of experience in the Dominican Republic, Honduras and Jamaica**

Overholt, Catherine

May 1989, 27 p.: statistical tables, En

A financial crisis confronts the public health systems of many countries in Latin America and the Caribbean. Reduced resources for meeting national health goals, in both real and nominal terms, are a pattern familiar across the region. Given the seriousness of the resource constraints, governments and their health ministries face three possible strategic options: one, to tolerate a deterioration in the quality, quantity, and coverage of health services; two, to look for mechanisms to improve efficiency and increase productivity; and three, to search for new sources of revenue. Most countries are likely to use some combination of all of these options. Empirical data collected from the public health systems of the Dominican Republic, Honduras, and Jamaica offer a comparison and contrast of the relative merits of the third option in responding to the financial crisis. The public health systems in these three countries have long subscribed to the philosophy that health care is a right and that the state should provide free public services to meet the health needs of the population. Yet within this approach, all have tolerated fee-for-service charges for some services and for certain categories of clients. The purpose of this paper is to compare and contrast the operational experiences of these countries with the collection of user fees in public hospitals. Our intent is to contribute to a body of relevant and systematic information which can be used to establish realistic expectations and guidelines for user-fee systems.

PN-ABM-467 AID Supported Study**PROSALUD model: a private, non-profit organization providing primary health care for a fee**

Fiedler, John L.

Oct 1991, [34] p.: statistical tables, En

PROSALUD, a private nonprofit organization in Santa Cruz, Bolivia, created with USAID

support, has proven remarkably successful in providing cost-efficient primary health care services. As of the second quarter of 1990, PROSALUD: had a service population of 125,000 and was still growing; was providing high-quality health care services, roughly 45 percent of which were preventive in nature (all preventive care is free-of- charge); and was approximately 85 percent self-financing, despite the fact that its prices are nearly identical to those of the Ministry of Public Health, and the fact that 8 percent of all care it provides is provided free to indigents.

This paper describes the factors and characteristics that have contributed to PROSALUD's success. First, the health care environment is discussed, nationally and then with specific reference to the state and city of Santa Cruz. The second section of the paper considers the general structure and operations of PROSALUD, including a detailed analysis of financial status. Topics include: the impact of the service delivery mix on PROSALUD's net revenues; the employee incentive program; other means of controlling personnel costs; and financing innovations -- prepaid care and deferred payment plans. (Author abstract, modified)

PN-ABW-483 AID Supported Study

Local retention of user fees in government health facilities

McInnes, Keith

Jun 1993, 38 p.: statistical tables, En

This study examines the theory of locally retaining user fees collected from government health facility cost recovery programs. Benefits of such a theory are discussed, including improved motivations for fee payment and collection and new accountability at the local level. In addition, critical viewpoints are presented, including the problem of perceived earmarking of funds. The cost recovery programs of four countries--Belize, the Central African Republic, Cameroon, and Swaziland--are detailed as examples, including information about legal considerations, legislation, fee management, and use of funds. These case studies indicate that health centers in developing countries that retain fees locally would enjoy benefits such as an increased percentage of costs recovered and increased health center utilization and quality. Local fee retention, however, is only one of several factors affecting cost recovery and the sustainability of health services. Another important factor is the level of prices.

SOCIAL AND COMMUNITY FINANCING

PN-ABW-471 AID Supported Study

Extending coverage and benefits of social financing systems in developing countries -- phase 1: review of concepts and literature and preliminary field work design

La Forgia, Gerard M.; Griffin, Charles C.; Bovbjerg, Randall R.

Mar 1993, 130 p.: charts, statistical tables, En

Social financing is a popular and possibly very effective solution to the demand for pooling risk to lessen the effects of catastrophic losses. Social insurance, however, often creates equity, coverage, and institutional problems in health care. This study examines the concept of social financing, particularly economic and equity factors, as well as types of health insurance and their possible application to the health financing concerns of developing countries. Case study summaries offer information and variables concerning all aspects of health insurance in developing countries. A chronological review of health insurance development in the United States is used to offer additional data on financing sources, strategies, and analyses. [Abstract from Abt Associates, Inc.]

PN-ABW-481 AID Supported Study

Social financing and fee-for-service cost recovery in Niger -- phase 2 and 3: field work, research results, and policy recommendations

Yazbeck, Abdo S.; Wenner, Mark

Dec 1994, xv, 89 p.: charts, statistical tables, En

French ed.: PN-ABW-482

In order to test two payment methods and three interventions for quality of care improvements, the Government of Niger implemented a cost-recovery pilot project in its Boboye and Say districts. A third district was used as a control. One payment method tested was a form of social financing (tax + fee); the second was a fee charged for each episode of illness. This paper examines the issue of access-primarily, the effect of cost recovery on the use of health systems by vulnerable groups, including the poorest quartile and the elderly. In general, the social financing method was preferred by an overwhelming majority of the respondents over both the current system and the proposed fee per each episode of illness. A larger percentage of respondents in the social financing district than in the other two test districts sought preventive and curative care. [Abstract by Abt Associates, Inc.]

PN-AAV-809 AID Supported Study

Art, knowledge and health: development and assessment of a collaborative, auto-financed organization in Eastern Ecuador

Whitten, Dorothea S.; Whitten, Norman E., Jr.

Jan 1985, i, 126 p.: ill., maps, statistical tables, En

The development of a health care program funded through the sale of the handmade, ceramic products of the Canelos Quichua peoples of Amazonian Ecuador is detailed. The program has been operated through the Sacha Runa Research Foundation (SRRF), a U.S. nonprofit organization with the two key purposes of conducting anthropological research among indigenous peoples in Ecuador and serving as an intermediary for a medical care delivery program.

PN-ABD-151 AID Supported Study

Operations research issues: community financing

Russell, Sharon Stanton; Reynolds, Jack

May 1985, 80 p.: charts, En

French ed.: PN-ABD-152; Spanish ed.: PN-ABD-153

This paper was prepared to help policymakers, program managers, and researchers identify problems in community financing that can be addressed by operations research. The paper is particularly relevant to those in developing countries who are actively involved in the planning or operation of community financing, investigators working with primary health care program managers, and health policy planners. The specific objectives of the paper are: 1) to define community financing and explain why this subject is an important research topic; 2) to identify key operational problems and issues in community financing that can be addressed by operations research; 3) to describe a general approach to operations research that can be used to study such problems; and 4) to describe a number of recent operations research projects in community financing of primary health care to illustrate the application of operations research to this subject.

PN-ABE-594 AID Supported Study

Community financing of primary health care services

Lassner, Karen Johnson; Hanff, Beatriz B. Collere; et al.

May 1986, 161 p.: ill., charts, statistical tables, En

The Centro de Pesquisas de Assistencia Integrada a Mulher e a Crianca (CPAIMEC) is a private, non-profit organization in Rio de Janeiro, the mission of which is to promote provision of primary health care, particularly to women and children, by means of training and development of appropriate technology. Recognizing that international resources cannot and should not support PHC programs indefinitely, and that the community itself represents

an important potential source of health care financing, CPAIMC undertook an operations research project with assistance from Primary Health Care Operations Research (PRICOR) to identify and test alternative strategies for community financing of PHC services. The OR project resulted in several important findings in regard to community financing of PHC: 1) residents of low-income communities served by CPAIMC and the leaders of these communities are willing to participate in the financing of PHC and are able to pay for PHC services and commodities; 2) revenue generated by the community financing strategies tested covered a modest share of the total costs of PHC service delivery; 3) the PHC community financing scheme that covered the largest proportion of total PHC costs was payment for selected services, followed by sale of prescribed drugs and contraceptives and payment of registration fees; 4) among the schemes involving personal service fees and drug sales, the service and commodity fees that contributed the largest share of revenue and covered the greatest proportion of PHC costs were for: Pap smears, contraceptives, physician visits and drugs; and 5) no association was observed between the implementation of PHC community financing strategies and subsequent decreases in service utilization trends.

PN-ABD-136 AID Supported Study

Community financing of primary health care: the PRICOR experience -- a comparative analysis

Stinson , Wayne; Pipp, Marty; et al.

Mar 1987, 151 p.: statistical tables, En

Between 1981 and 1986, the Primary Health Care Operations Research Project (PRICOR) funded sixteen studies to document or to develop community/user financing activities in Asia, Africa and Latin America. This report describes and analyzes how PRICOR-supported decision-makers investigated and resolved specific operational problems in primary health care (PHC) and financing. It makes extensive use of charts to present study activities and results within a comparative framework. The report attempts to draw patterns where they are apparent and to at least describe processes and results within a common framework when they are not. Although identified as a comparative analysis, this report's studies were designed to produce locally valid solutions, not universally valid knowledge. PRICOR learned much of general interest about how to resolve community financing problems, but results should be applied cautiously because they were never intended to be fully generalizable.

INSURANCE

PN-AAV-684 Sector Assessment

Managed prepaid health care in Latin America and the Caribbean: a critical assessment, volume 1

Strumpf, George B.; Crowley, Gail-Marie; et al.

Sep 1985, v.p., En

V. 2: PN-AAV-803; v. 3: PN-AAV-804

Undertaken in response to an increasing awareness of the need for alternative health care financing methods in Latin America and the Caribbean, this volume reviews the existing level of prepaid health care in the region and examines the feasibility of fostering the development of health maintenance organizations (HMO's). Five individual reports are included, covering: (1) the principles underlying HMO's, their advantages and disadvantages, and the U.S. experience with them; (2) prepaid health care in South America, with detailed analysis of prepaid plans in Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, and Venezuela; (3) prospects for the development of HMO-like health delivery systems in Mexico, Central America, Panama, and the Caribbean; (4) legal and regulatory considerations for HMO development; and (4) health care laws in Brazil, Chile, and Uruguay affecting HMO development. An executive summary notes the diversity of prepaid health plans (in organizational structure, financing mechanisms, level of coverage, etc.) in the region, and particularly in South America, where a significant number of prepaid health organizations were found.

PN-ABW-431 Special Evaluation

Evaluation of health insurance demonstrations in Kazakhstan: Dzheskasgan and South Kazakhstan oblasts

Langenbrunner, Jack; Sheiman, Igor; et al.

Jul 1994, xiii, 140 p.: charts, statistical tables, En

At the request of Kazakhstan's central Ministry of Health, Abt Associates, Inc. evaluated two health insurance demonstrations-one ongoing and one planned-in two oblasts in the republic. The evaluation covered four areas concerning health insurance and related health policy changes: 1) the adequacy of financing, or to what extent a new employer payroll contribution and other sources of revenue would ensure adequate financing of the health care system; 2) changes in efficiency, or the effect of the health insurance structure and related payment policies and organizational changes on the efficiency with which services are provided; 3) the impact on quality of care, or the effect of changes in financing, payment, and quality assurance programs on the quality of service delivery and ultimately on health status; and 4) the equity of access to care, or the effect of the new system on what was one of the strengths of the old system-relative equity of access to services by various socioeconomic groups. The evaluation found that parts of these demonstrations can serve as models for health care reform

for the rest of the country and that a number of specific design features can be used to help inform the debate about the health insurance reform law under consideration by the parliament. To strengthen the existing demonstration models, especially in the context of national reform, a series of 40 recommendations and options for action were developed for financing, payment methods and efficiency, quality of care, and equity of access to care. Several areas for potential short-term technical assistance also were identified, including development of an improved legal framework for innovative demonstration sites in the future, intensive training activity, and model hospital cost and information systems.

PN-ABW-629 Conference Proceedings/Paper
Chilean health care social insurance innovation

Bossert, Thomas

(Social Financing of Health Care Services Conference, Cairo,
EG, 9 - 12 Jan 1994)

Jan 1994, 16 p., En

Chile's innovative social financing schemes have been held up to the rest of the world as models for other countries to adopt, from the National Health System, similar to the British, to innovative funding of private providers from social security taxes as a means for widening choice of providers for middle income employees. Now, the publicly financed private insurance schemes (Instituciones de Salud Previsional--ISAPRE), which have grown to cover over 20 percent of the population, are being promoted as a social insurance option for other countries. This paper examines the two innovative social insurance options currently available in Chile: the FONASA "Free Choice" System and the ISAPRE private insurance schemes. The paper will briefly discuss the evolution of the Chilean health care system from one dominated by public service to a more mixed system of providers. It will then review the characteristics of the two insurance systems and their relation to the "institutional" public provider system. The insurance systems will be compared and evaluated and lessons for other countries will be drawn.

PN-ABS-909 Case Studies

Health insurance in practice: fifteen case studies from developing countries

La Forgia, Gerard M., ed.; Griffin, Charles C., ed.

Mar 1993, 249 p.: charts, graphs, statistical tables, En

By exploring 15 case studies of health insurance programs, this research paper, a companion document to Major Applied Research Report No. 3, "Extending Coverage and Benefits of Social Financing Systems in Developing Countries," examines institutional and economic factors in a variety of approaches to extend health insurance coverage in developing countries. The information gathered in this document provides insight into how to structure health financing mechanisms in like situations worldwide.

The 15 approaches, which address 14 countries, are grouped into five categories: Community-based Risk Sharing/Rural Health Insurance (Zaire, Thailand, Guinea Bissau), Social Security Coverage Extension (Panama, Costa Rica, Ecuador, Mexico), National Insurance Systems (Korea, Chile, China), Limited Catastrophic Coverage (Philippines, Kenya), and Pre-Payment Plans (Uruguay, Dominican Republic, Philippines).

Each case study seeks to address three objectives. First, the organizational features of each scheme are examined to determine how they pertain to insurers, consumers, providers, and employers. This discussion includes details on risk-sharing, utilization, financing, expenditures, and other factors. Second, each insurance scheme is analyzed from the perspective of economic considerations, such as the identification and performance of cost-control measures, moral hazard issues, and the challenges of adverse selection. Third, each case study uses information from the two analyses previously discussed to summarize its individual advantages and weaknesses, as well as its probability for being used as a national insurance model in other developing countries or low-income groups.

The insurance schemes presented here are quite varied. They range from the highly experimental, such as the effort to link social and private insurance in the Philippines, to an evolving system of social financing to support health care in Kenya.

By following similar formats, these case studies analyze key variables and invite many comparisons while highlighting obvious differences. Generally, the studies begin with a description of the program's organization, legal scope, and institutional linkages, then explore numerous variables such as premiums, quality control, and equity, and conclude with a summary and suggested issues for further study. Some cases, such as that of Chile, are presented with a detailed account of more than one scheme. (Author abstract)

PN-ABS-914 Case Studies

Financing health services through insurance: a case study from Kenya

Mwabu, Germano; Wang'ombe, Joseph; et al.

Oct 1993, 78 p.: ill., charts, statistical tables, En

This report documents a survey undertaken in three Kenyan districts to determine the feasibility of developing private and public health insurance plans. Four promising insurance schemes have recently emerged: the national hospital insurance fund, Harambee movement funds, private insurance, and prepayment schemes. Development of some or all of these schemes and additional actions, such as revised tax laws that support insurance purchases by employers and households and basic insurance education for the public, are strongly supported as positive remedies for the current insurance problems in Kenya. (Author abstract)

PN-ABW-874 AID Supported Study

Organization and financing of rural social insurance in Ecuador -- Seguridad Social Campesino

Zschock, Dieter K.; Estupinan, Jazmina

Nov 1994, vii, 39 p.: statistical tables, En

Spanish ed.: PN-ABW-875

This exploratory study examines the organization and financing of Ecuador's Rural Social Insurance Program (SSC), a dependency of the Ecuadorian Institute of Social Security (IESS). SSC operates over 500 health centers that provide basic health services to 153,000 rural households that-through their community organizations-contribute monthly payments. The study argues that IESS and the Government, which co-finance SSC, need to review SSC separately from current proposals for the reform of IESS. SSC's program is experiencing administrative and financial difficulties. Personnel appointments and procurement of basic medicines, administered by IESS, are bottlenecks in SSC operations; SSC is also internally inefficient in its management of human and financial resource. The study summarizes these problems, provides an analysis of SSC financing, and offers recommendations.

FINANCING CHILD SURVIVAL AND IMMUNIZATION PROGRAMS

PN-ABI-573 Conference Proceedings/Paper

Financial management in the context of sustainability: priorities and lessons learned from the REACH experience

Leighton, Charlotte

(Intercountry Workshop on Financial Management for National EPI Managers, WHO/SEARO, New Delhi, IN, 14 - 18 Jan 1991)

18 Jan 1991, 16 p.: charts, statistical tables, En

As donor funding for immunization programs becomes more uncertain, many countries are seeking ways of continuing their immunization efforts with national and local resources. This report presents information on the financial management of expanded programs of immunization (EPI), drawing from recent studies as well as lessons learned from various programs. Research findings are first presented on the costs and cost-effectiveness of immunization, the affordability of EPI targets, and means of raising revenues for EPI. The next section presents general lessons learned related to revenue generation, resource allocation and management, and sustainability. The final section of the report identifies several priorities to be addressed in designing and undertaking initiatives in health financing and financial management. These priorities include: (1) long-term planning, (2) integrated approaches, (3) practical financial management tools, (4) incentives for effective and efficient resource management, and (5) investment in institutional and skills development. A major theme of the report is that financing and related management strategies for immunization should not be developed in isolation from the financing and service delivery structure of primary health care and the total health system.

PN-ABW-421 Conference Proceedings/Paper

Workshop on health financing and sustainability in Africa: CCCD [combating childhood communicable diseases] regional conference on progress in child survival, 23-27 March 1993, Dakar, Senegal

Makinen, Marty; Leighton, Charlotte

Mar 1993, v, [29] p., En

French ed.: PN-ABW-422

The Health Financing and Sustainability (HFS) project, in coordination with the Combating Childhood Communicable Diseases (CCCD) Regional Conference on Progress in Child Survival in Africa, held a workshop on health financing and sustainability in Africa, March 23-27, 1993 in Dakar. The workshop was designed to provide senior African health policy officials and decision-makers a forum for dialogue and exchange of information, experiences, and ideas. The workshop combined technical presentations, panels, and country case studies with lively and informed discussions among technical experts, donors, and participants. To facilitate and focus these discussions, facilitators and participants compiled several detailed

working lists throughout the course of the workshop. These lists included: "conventional wisdom" and the myths, realities, and unknowns regarding each; health financing issues and actions to be taken; and priorities for further research. This set of deliberations and recommendations by the workshop participants represents a major step forward for health financing reforms in Africa. Many myths in the "conventional wisdom" were laid to rest by the participants. Research can be focused on the remaining unconfirmed items. Countries considering reforms can build upon the realities confirmed by the experience of the participants, not having to re-perform analyses or research before acting.

PN-ABB-708 Bibliography/Index/Literature Review

Cost effectiveness of child survival initiatives: a literature review

Stewart, Kathryn J.

[1989], 55 p.: statistical tables, En

The state-of-the-art in the application of cost-effectiveness analysis and cost-benefit analysis to child survival initiatives is summarized in this literature review. Section I explains fundamental economic concepts used in the analyses and points out methodological differences found in the articles reviewed. Section II is a narrative review of both universally accepted and controversial cost-benefit considerations of health projects. The major child survival initiatives - immunizations, oral rehydration therapy, breastfeeding, and child spacing - are examined separately in Section III for a discussion of specific costs and benefits. The paper does not draw firm conclusions about child survival initiatives; rather, it points out the weaknesses in methodology, theory, and assumptions and the overall lack of quality data for economic analysis. To make cost-effectiveness and cost-benefit analyses more useful, the paper recommends wider dissemination of relevant information; development of a more universal outcome indicator and of methodological conventions for cost calculations; and interdisciplinary research that combines the areas of anthropology, sociology, economics, and epidemiology. Includes 10-page bibliography.

PN-ABD-243 AID Supported Study

Health financing in Africa: tracking the AID experience of the child survival emphasis countries

Evlo, Kodjo

Jun 1989, ii, 62 p.: statistical tables, En

Although the effect of macroeconomics on the financing of health care in African countries has been fairly well discussed in recent literature, a database that includes the evolution of major health indicators is needed. There has not yet been a comprehensive database developed that describes the organization and the financing of health and family planning services in child survival emphasis countries. Such a database can assist country officials in tracking the development of their country. It can also serve as a reference for AID, other donor institutions, and the countries themselves in planning ways to improve and sustain health

services.

The objective of this study is to present such a database on health services, financing, and family planning in the African child survival emphasis countries. This database provides information on the organization and the financing of health and family planning services. It can be used for evaluation of health and family planning policies in each of the eight countries. This study also indicates how much data actually exist. Recommendations are made regarding what efforts can be made to improve the quality and quantity of the existing data. (Author abstract)

PN-AAS-640 AID Supported Study

Public and private roles in immunization: the donor response

Raymond, Susan Ueber

4 Apr 1985, v.p.: charts, statistical tables, En

The respective roles of the private and public sectors in financing the development, manufacture, management, distribution, and delivery of vaccines for use in immunization programs are examined. For each of these areas, the author identifies program needs and major problems as seen by the private and public sector, suggests possible public/donor agency responses for linking private and public resources, and evaluates the benefits of and barriers to these various responses. While the need for a strong public sector role in immunization programs - especially in vaccine initiation, regulation, and delivery - is recognized, a balance of roles is suggested. The development of a public policy that creates incentives for long-term private sector commitment to immunization problems and programs would be a reasonable approach. A brief review of AID immunization programs and of possibilities for expanding the private sector's role therein concludes the report. Appended is a copy of the lengthy prospectus for the Drug and Vaccine Development Corporation, which was created in 1980 with support from the Rockefeller Foundation.

PN-ABI-068 AID Supported Study

Cost recovery for immunization: a worldwide survey of experience

Percy, Allison; Brenzel, Logan; Waty, Marie-Odile

Apr 1991, v, 75 p.: statistical tables, En

The Expanded Program on Immunization (EPI) has made significant achievements since its inception in the mid-1970's, with many countries having reached the goal of 80 percent immunization coverage. The sustainability of these gains is uncertain, however, due to EPI's enormous burden on national health resources and the reluctance of donors to provide additional funding. For this reason, developing countries need to explore ways of securing alternative sources of funding from the communities, families, and individuals who receive immunization services. This document surveys cost recovery mechanisms for EPI that are currently in place or which have been attempted recently in developing countries. Information

was collected from 79 countries in the Africa, Asia/Near East, and Latin America/Caribbean regions regarding the national policy towards consumer payments for immunization and/or primary health care (PHC) and the existence of any financing schemes for the EPI or PHC. Results indicate that a wide variety of cost recovery or alternative financing mechanisms have been tried in both the public and private sectors of developing countries. The most promising mechanisms (e.g., waiver systems that ensure utilization of immunization services by the most needy, universal health insurance, and contract services where females prepay for immunization services and are compensated after the schedule is completed) are identified for further research.

PN-ABF-941 AID Supported Study
Immunization sustainability study

John Snow, Inc., Arlington, VA,

Apr 1990, v, 44 p. + 5 appendices: charts, statistical tables, En

Although not doubting the benefits or cost-effectiveness of universal childhood immunization coverage, AID is beginning to question the wisdom of urging universal coverage or 80 percent coverage on countries that cannot afford the recurrent costs of maintaining these coverage levels. To address this issue, a 50- country study was undertaken, focusing on the costs and affordability of Expanded Programs of Immunizations (EPI). major conclusions are given below.

(1) Wide differences exist among developing countries concerning the share of national resources required to meet the goals of EPI. (2) Sustainability is beyond the reach of many countries, particularly those in Africa and Asia. However, the sample group excludes some of the poorest nations due to lack of available economic data. If all countries had been included, sustainability would be unattainable for some Latin American countries as well. Even using the high economic growth assumptions, 8 of the 14 Child Survival Emphasis countries would require a commitment greater than 0.1 percent of their GDP to reach 80 percent coverage by the year 2000. (3) For many countries, the level of resources sufficient to immunize 80 percent of the projected 1990 target population would take decades to reach, even using high economic growth estimates. (4) Reducing the costs of immunization can have a significant impact on the potential of a country to "afford" the coverage targets. For nearly 15 percent of the countries, however, even a cost per fully immunized child of one-third of the \$15.00 figure would be insufficient to produce 80 percent coverage with a commitment of 0.1 percent of GDP using the base growth assumptions. (5) Donor policy should focus on initiatives to reduce the economic burden of EPI and to establish country-donor partnerships. Efforts to reduce the economic burden of EPI must concentrate on reducing the average cost per fully immunized child and supporting population and other development activities that increase the economic capacity of each country. Country-donor partnerships reflect the conviction that universal coverage of immunization is a shared goal and that an effective response thereto requires a continuous relationship between the country and the donor(s). (Author abstract)

PN-ABI-185 AID Supported Study**Costs of EPI: lessons learned from cost and cost - effectiveness studies of immunization programs**

Brenzel, Logan

Rev. ed. Sep 1990, iii, 89 p.: charts, statistical tables, En

Resources for the expanded program on immunization (EPI) are dwindling, placing more pressure on organizations to implement the programs as cost-effectively as possible. This document outlines current knowledge about the costs of national child immunization programs, and provides information for field officers and national EPI managers on conducting a cost-effectiveness study. Major findings are as follows. (1) The cost per fully immunized child varies only slightly according to the particular strategy or region, with the average cost about \$15. Mobile team strategies are the most cost-effective at \$10.60. Routine services through fixed facilities follow at \$11.26, while immunization campaigns have the highest cost at \$15.62. (2) Host government contributions have been lower than expected and tend to be in the form of salaries to health workers or covering building depreciation, vaccine, and transport costs. EPI costs that require foreign exchange, such as syringes, cold chain equipment, and vehicles, are covered by international donors. (3) Program sustainability will require a continued high commitment by said donors, since the cost of \$15 per child makes EPI difficult to sustain, especially in countries with a GNP per capita of \$300 or less. (4) There is some empirical evidence that efforts to reach very high coverage levels will increase the average cost. (5) Evidence suggests that the results of cost studies are not always used for planning and managing EPI. The report concludes with recommendations regarding the future role of cost and cost-effectiveness evaluations in EPI.

PN-ABH-233 AID Supported Study**Toward ensuring the financial sustainability of EPI**

Day, Laurence M.

Oct 1990, [19] p.: charts, statistical tables, En

Many developing countries, especially in Africa and Asia, will not be able to independently support expanded programs of immunization (EPI) for decades to come. This is the case even if a very high rate of economic growth is assumed and even if these countries were to devote an unrealistically high proportion of GDP to EPI. Although the current cost of about \$15 per fully immunized child is relatively cost-effective, EPI interventions are becoming increasingly complicated and expensive, and it cannot be guaranteed that donors will continue to cover these costs. This paper identifies some simple financial strategies to help improve the potential for sustaining EPI, maximizing EPI's investment value, and safeguarding against a future resurgence of the diseases that are now well on the way to being controlled. Three primary recommendations are made. (1) Support should be allocated based on both need and potential long-term returns on investment. (2) A long-term financing strategy for EPI should be included along with the technical strategies. (3) The definition of roles for donor agencies,

technical agencies, and developing country governments should be improved to facilitate working towards the financial sustainability of EPI.

PN-ABF-942 AID Supported Study

Economic burden of sustainable EPI: implications for donor policy

Rosenthal, Gerald

Feb 1990, 13 p. + attachments: charts, statistical tables, En

Expanded Programs of Immunization (EPI) have made historic progress over the past decade by raising coverage rates from 10 percent to 50 percent in the developing world. But can developing countries bear the economic burden of sustaining these programs? This study projects the ability of 50 sample countries to support EPI in the year 2000 and considers the implications of these projections for donor strategies. The analysis focuses on four basic questions: What will the EPI target rate of 80 percent coverage cost? What will the countries be able to afford? At what cost to the countries would the EPI targets be affordable? Will economic growth make the targets affordable? The study found that, while increases in economic growth and reductions in the cost of immunization and in the size of the target population would improve economic capacity to support EPI, many countries (particularly African) will remain incapable of achieving coverage targets within the foreseeable future. In fact, many countries would be hard pressed even to allocate the amounts of resources required to maintain existing coverage levels without external resources. Consequently, donors should not make EPI sustainability (i.e., independence from donor funding) a precondition for support, but should help countries move towards sustainability. This can be done through: (1) general initiatives to lessen the economic burden of EPI (by expanding the country's resource base and by reducing the costs); and (2) country-specific partnerships that are based on shared goals and commitments and realistic assumptions.

FINANCING FAMILY PLANNING

PN-ABJ-943 AID Supported Study

Employer - provided family planning in the private sector: the lessons of enterprise

Skibiak, John P.

Mar 1991, v, [28] p. + appendix, En

Since 1985, the Enterprise Program has gained considerable experience in the field of workplace-based family planning (FP), with nearly 50 workplace-based sub-projects (SP's) funded worldwide.

Enterprise has been unique in having taken the workplace model beyond its traditional role as a service delivery approach and having applied it systematically as an effective strategy to increase private sector support for FP. This entailed designing and selecting activities with a minimum of three objectives: leveraging private sector funds; attracting acceptors cost-effectively; and attaining financial sustainability without continued public or donor agency support.

This paper analyzes Enterprise's workplace-based SP's and identifies factors and variables that correlate consistently with success in attaining these three objectives. Twenty variables have been identified and cross-tabulated with a sample of 19 completed SP's. These variables include: the quality of leadership and management; the nature of the workplace and the firm; the socioeconomic environment in which the program is located; program cost-effectiveness; service accessibility; strategies for education and promotion; and the presence of incentives.

The analysis reveals that successful SP performance correlates positively with such factors as the scale of the program, the potential for cost savings, and the financial help of the sponsoring firm. The following six variables have been identified as having had a direct impact on the ability of Enterprise's workplace activities to leverage private sector funds, attract FP acceptors, and remain sustainable without continued public sector support: (1) extent of non-wage benefits to employees; (2) persons entitled to receive benefits; (3) support from top/middle management; (4) size of the company workforce; (5) ownership of the company; and (6) profitability of the company. In addition, the following three variables which have received a lot of attention in the FP literature, registered little, if any, influence on sub-project performance: (1) cost per acceptor; (2) integration of family planning services with pre-existing health care facilities; and (3) institutional affiliation of the service provider. (Author abstract, modified)

PN-ABJ-942 AID Supported Study**Market - based family planning: the enterprise program experience**

Fort, Catherine; Hart, Carolyn

Sep 1991, v, 29 p., En

As the demand for family planning continues to outpace the availability of public funds to provide services, it is increasingly important to identify new avenues for mobilizing private sector resources to fill the gap. This paper analyzes efforts conducted by the Enterprise Program to increase private sector participation in family planning services in Brazil, Mexico, the Dominican Republic, Haiti, Ghana, Zimbabwe, Egypt, Turkey, India, Thailand, the Philippines, and Indonesia. The report assesses four strategies used by Enterprise: (1) working through umbrella organizations to reach a large number of service providers or retailers; (2) developing fee-for-service clinic arrangements to increase the availability of family planning services; (3) developing innovative managed care or insurance arrangements to increase access to family planning; and (4) designing public policy initiatives to reduce barriers to privatization and to make more cost-effective use of host government resources. The paper concludes that trade-offs frequently need to be made. For example, in some instances it may be better to work through nonprofit rather than for-profit organizations. Donors need to be aware of these trade-offs, and select program strategies and models to maximize specific objectives.

PN-ABS-345 AID Supported Study**Enterprise program follow - up study: were private sector family planning services sustained?**

Fort, Catherine

Mar 1994, [43] p.: statistical tables, En

Ex post evaluation of a project to increase the provision of family planning (FP) services by private enterprises. The evaluation, conducted 2 years after the project's mid-1991 termination, was based on a review of 25 representative enterprises.

Of the 25 study enterprises, 16 have coped reasonably well since the withdrawal of project support and have sustained the provision of FP services. Nearly all the employment-based programs that have been sustained have covered costs out of company earnings, although one relied on in-plant commodity sales for this purpose. Employment-based programs most likely to be sustained: had committed company managers, had FP programs that were viewed by managers as providing tangible benefit to the company, had strong linkages to competent sources of technical and logistical support, and were in reasonably good financial health.

Almost all the market-based enterprises studied were sustained, although they had yet to cover FP costs through service revenues. Those with the best prospects for achieving financial independence are the ones which: integrated FP with more lucrative health services; had large

operating budgets that allowed losses from one program area to be offset by successes in another; were efficient and controlled costs; charged competitive prices; met, or had the potential to meet, the partner's financial objectives; and took advantage of any subsidized goods or services offered in the FP marketplace.

PN-ABR-775 AID Supported Study (62)

OPTIONS -- policy issues in expanding private sector family planning

Cross, Harry E.

Policy paper series, no. 3, Apr 1993, 23 p., En

This paper draws upon the experiences of the OPTIONS Project and its predecessor projects to provide project designers, evaluators, and technical experts with a broad understanding of some of the policy issues affecting private sector family planning. The paper further suggests specific operational guidelines for the selection, development, monitoring and evaluation of activities. These guidelines will assist project designers to narrow the scope of activities to focus on several key private sector policy issues. The approach is intended to increase the potential for effective policy change, and leave a clear record of how to achieve and measure such change.

PN-ABI-231 AID Supported Study

Private sector local production of contraceptives: current options for AID

Program for Appropriate Technology in Health, Seattle, WA,

John Snow, Inc., Arlington, VA,

Apr 1990, v, 80 p. + 4 appendices, En

Given the rapid growth in global demand for contraceptives, AID is seeking alternatives to donating contraceptives to developing country family planning programs. This document examines the potential for assisting private sector production of contraceptives in developing nations. The study focuses on experience with private sector production in Bangladesh, Egypt, India, and Mexico. Projects are already underway in the first three countries to develop local condom production, while Mexico has begun private sector electronic condom screening and packaging. A major finding is that the estimated investments required for local production are modest, relative to estimated AID procurement costs during the period 1985-1991. For example, in Bangladesh, AID will have spent more than \$51 million on 1.2 billion condoms during this period, whereas the total foreign exchange investment for establishing a condom manufacturing facility is significantly less, around \$5-\$8 million. Further, in all four countries a significant portion of capital investment and annual operating costs for local production can be paid in local currency. However, except in Bangladesh and Egypt, opportunities to assist in establishing entirely new full-scale production ventures are limited. There is much wider scope for AID to provide assistance for intermediate production or to upgrade and expand existing facilities of private sector and, in selected cases, parastatal producers of contraceptives.

PN-ABD-798 AID Supported Study

Mobilizing the resources of the for - profit sector to support the expansion of family planning services in the developing world

Logan, David; Friedman, Matthew; Lown, Marianne

7 Dec 1989, v, 35 p. + 2 appendices, En. Report no. 88-045-102

Non-governmental family planning (FP) services provision is often referred to as private sector provision, a term which in fact encompasses both for-profit and non-profit efforts. This paper draws on AID's experience with for-profit projects in outlining a plan to enlist the varied resources of the for-profit sector to increase access to and transfer the costs of FP services in the developing world. Three categories of for-profit FP service providers are identified - companies which provide FP services to employees, organizations which offer FP services on a commercial basis, and voluntary contributions of FP services from private businesses.

After a brief discussion of lessons gleaned from prior AID experience in for-profit FP projects (in areas such as project design, market segmentation, demand creation, service delivery, leveraging corporate resources, staffing/management, and sustainability), individual sections of the report examine (1) the goals and objectives of future pro-profit sector FP projects, (2) the overall strategy of future work in the for-profit sector, and (3) ways of tapping the potential of each of the three types of for-profit providers. The paper also briefly discusses the need to work with publicly owned businesses and organized labor to bring FP programs into the workplace. A discussion of how to draw multinationals into the process is included among the appendices.

PN-ABW-063 AID Supported Study

OPTIONS -- sustainability of family planning programs and organizations: meeting tomorrow's challenges

Levine, Ruth E.; Bennett, Joanne

Jan 1995, 38 p., En

As donor resources for family planning (FP) programs shrink even as the demand for FP services increases, the problem of how to ensure program sustainability -- defined as the capacity for continuous service delivery without external aid -- becomes paramount. This paper, a condensed version of a more detailed report, examines public and PVO FP programs that have sustainable elements and describes policy options and donor initiatives that can enhance the sustainability of FP efforts.

PN-ABQ-391 Handbook/Manual/Guide

User fees for sustainable family planning services: background discussion for the handbook for program managers

Day, Laurence M.

Rev. ed. 1993, 25 p., En

French ed.: PN-ABQ-403

Spanish ed.: PN-ABQ-404

PN-ABQ-405 Handbook/Manual/Guide

Designing a family planning user fee system: a handbook for program managers

Day, Laurence M.

John Snow, Inc., Arlington, VA,

1993, 56 p. + attachments, En

French ed.: PN-ABQ-406

Spanish ed.: PN-ABQ-407

This booklet presents 10 steps for designing or redesigning a family planning user fee system. It has been written for program managers, facility managers, finance managers, administrators, and decision makers, and it can be used at a local, district, regional or national level. If you already have a user fee system (UFS) in place, you may still find it useful to read through this manual to determine if your user fee system includes all of the parts set forth here. If you do not currently have such a system, but anticipate the need for one, you can use this manual to guide you through the design process. And if you don't know whether or not you need or want such a system, this text should help you decide.